revised and issued on April 20, 2007. The Guidelines enunciate the broad principles for undertaking derivative transactions. The emphasis is on the proper risk management framework and appropriate corporate governance practices. The focus is also on 'suitability' and 'appropriateness' of derivative products being offered by market-makers to customers (users) as also 'customer appropriateness'. The guidelines also cover extant instructions relating to rupee interest rate derivatives. Further, Prudential Norms for Off-Balance sheet exposure of banks were prescribed in August, 2008.

Increase in gas prices from KG Basin

*52. SHRI MOINUL HASSAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government is considering a revision of gas price of Reliance Industries Ltd. (RIL) as and when the gas is a available from its KG Basin;

(b) whether the RIL is lending pressure on Government to raise the gas price at 4.20 dollars per unit based on global crude price of dollars 60 per barrel;

(c) whether ONGC is supplying gas at a price 2.2 dollar per unit; and

(d) if so, what is the basis of RIL's demand for raising gas price at 4.20 dollars per unit?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) to (d) The Production Sharing Contract (PSC) provides for pricing of gas on the basis of sales on arms length principles. The formula or basis on which the prices shall be determined for the purposes of determining the Government take is required to be approved by the Government prior to sale of natural gas to the consumers/buyers. Accordingly, Reliance Industries Limited (RIL) submitted a proposal on 18.5.07 for approval of gas price formula which was arrived at by following a bidding process.

The Government constituted an Empowered Group of Ministers to consider issues relating to pricing of natural gas produced under the New Exploration Licensing Policy (NELP) regime. It has been decided therein that the provisions of the NELP PSCs should be honoured. The price basis/formula for the purpose of valuation of natural gas has been approved by the Government in case of block KG-DWN-98/3 of RIL/Niko. The price obtained from the basis/formula comes to US$4.2 per million British thermal unit (MMBTU) for crude price greater or equal to US$60 per barrel.

Oil and Natural Gas Corporation Limited (ONGC) is supplying gas production from the nomination blocks at a price of Rs. 3200 per thousand cubic metre to the consumers of Fertilizer and Power Sector which is equivalent to US$ 2.02 at an exchange rate of Rs. 40 to one US$. This price was fixed by the Government under the Administered Price Mechanism in the Year 2005.

Credit Cards

*53. SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether RBI has been receiving large number of complaints against Indian and foreign banks concerning credit cards;

(b) if so, the details thereof;

(c) whether banks are issuing credit cards *suo moto* and thereafter harass individuals to pay charges etc.; and

(d) the steps taken to curb such fraudulent practices of banks?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) The Offices of Banking Ombudsmen received a total of 2,187 and 3,087 credit cards related complaints against the foreign banks during the year 2006-07 and 2007-08 respectively. The figures for the Indian banks for this period are 5,501 and 7,020 respectively.

(c) and (d) RBI undertook a study on the credit card operations of banks, which also included issue of unsolicited credit cards. The recommendations of the study report include obtaining explicit consent by the credit issuing banks for issue of credit cards or other products offered alongwith the cards. RBI has issued a circular dated 23.07.2008 advising the banks to take appropriate action on the recommendations of the study report. Further, RBI has also issued a Master Circular on Credit Card Operations of banks dated July 1, 2008 wherein banks have been advised that unsolicited credit cards should not be issued and that in case an unsolicited card is issued and activated without the consent of the recipient and the latter is billed for the same, the card issuing bank shall not only reverse the charges forthwith, but also pay a penalty without demur to the recipient amounting to twice the value of the charges reversed. In addition, the person in whose name the card is issued can also approach the Banking Ombudsman who would determine the amount of compensation payable by the bank to the recipient of the unsolicited credit card as per the provisions of the Banking Ombudsman Scheme, 2006, *i.e.*, for loss of complainant's time, expenses incurred, harassment and mental anguish suffered by him. The guidelines provide that any loss arising out of misuse of such unsolicited cards will be the responsibility of the card issuing bank only and the person in whose name the card has been issued cannot be held responsible for the same.

Commissioning of Iran-Pakistan-India Gas Pipeline Project

*54. SHRI R.C. SINGH:
SHRI D. RAJA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the talks on the proposed Iran-Pakistan-India Gas Pipeline Project have been progressing very slowly;

(b) if so, at what stage the talks are and what are the issues remaining to be solved; and

(c) what steps are being taken for the early commissioning of the project?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) to (c) India is pursuing the import of natural gas from Iran through Iran-Pakistan-India (IPI) Gas